

Annual Report

2026

MENDOCINO
LAFCO



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MISSION

The mission of LAFCo is to promote sustainable growth and good governance in Mendocino County by being proactive in raising awareness and building partnerships to accomplish the following:

- Consider the present and future needs of the community
- Oversee the logical formation and development of cities and special districts
- Coordinate the efficient and rational delivery of municipal services
- Preserve agricultural and open space resources
- Discourage urban sprawl

COMMISSION AND STAFF

Commissioners

Madeline Cline
Gerardo Gonzalez
Candace Horsley
Susan Mahoney
Maureen Mulheren, *Chair*
Mari Rodin
Gerald Ward, *Vice-Chair/Treasurer*

Alternates

Bruce Alfano
Barbara Burkey
Adam Gaska
John Haschak

Staff

Uma Hinman, *Executive Officer*
Larkyn Feiler, *Senior Analyst*
Jennifer Crump, *Analyst*
Marsha Burch, *Legal Counsel*



This second annual report supports accountability and transparency to the Commission, local government agencies, and the public. The report highlights LAFCo's accomplishments during fiscal year (FY) 2025-26, upcoming projects and provides a year-end financial summary.

Changes in Commission

Commissioners serve four-year terms beginning January 1 and ending December 31. Several changes in Commission composition occurred during FY 2025-26.

In September 2025, Adam Gaska of the Redwood Valley County Water District was elected as Alternate Special District Commissioner to complete the term ending December 31, 2026. The Executive Officer conducted the nomination and election process on behalf of the Independent Special District Selection Committee, and Commissioner Gaska was sworn in on September 8, 2025.

Alternate Public Member Raghda Zacharia resigned in November 2025. Following public notice of the vacancy, the Commission appointed Bruce Alfano to complete the term ending December 31, 2027.

In May 2026, the City Selection Committee reappointed Mari Rodin of the City of Ukiah as a regular City Commissioner and appointed Barbara Burkey of the City of Point Arena as Alternate City Commissioner. Both were appointed to terms ending December 31, 2029.

LAFCo recognizes outgoing City Member Douglas Crane of the City of Ukiah and Alternate Public Member Raghda Zacharia for their service and contributions to Mendocino LAFCo.

Major Accomplishments

LAFCo completed two comprehensive Municipal Service Reviews and Sphere of Influence (MSR/SOI) Updates for the City of Point Arena and the Mendocino Coast Recreation and Park District. Both agencies have undergone significant organizational and financial transitions, and the reviews provide a timely assessment of their progress, current service capabilities, and future needs.

Staff also completed LAFCo's second streamlined SOI review. This Commission-approved approach provides an efficient means of meeting the Cortese-Knox-Hertzberg Act's requirements for periodic SOI reviews while focusing available funding and staff resources on agencies for which a comprehensive review is most needed. In coordination with District staff, LAFCo determined that a streamlined review was appropriate for the Hopland Public Utility District. Following its review, the Commission affirmed the District's existing SOI and scheduled the next review in five years.

Together, these studies evaluate whether local services are being provided efficiently and whether agency boundaries continue to meet the needs of the communities they serve. They also promote transparency by providing agencies, the Commission, and the public with clear and accessible information about service delivery, agency operations, and future needs.



Program Highlights

OUTREACH AND EDUCATION EFFORTS

In fall 2025, the Executive Officer provided informational presentations to the Mendocino County Fire Districts Association and the Mendocino County Fire Chiefs Association. The presentations introduced LAFCo's role and responsibilities and explained the purpose and approach for preparing MSR/SOI studies. The outreach was intended to build awareness of the studies' goals and emphasize the importance of agency participation and collaboration in developing meaningful and useful planning documents.

The Executive Officer also participated in two community outreach meetings hosted by the City of Ukiah, providing the public with information about LAFCo's application review and procedural processes.

APPLICATIONS REVIEW AND PROCESSING

The number and complexity of applications processed by LAFCo vary from year to year. During FY 2025-26, staff worked on eight applications, three of which were completed and five of which remain in progress.

City of Ukiah

Corporation Yard Annexation

- The Commission approved annexation of the City of Ukiah's new Municipal Corporation Yard located at 1 Carousel Lane. The approximately eight acre parcel will serve as the central hub for city maintenance operations, which will be relocated from its current location on the east side of the Ukiah Municipal Airport.

City of Fort Bragg

Outside Agency Service Agreement

- The Commission ratified the Executive Officer's approval of an extension of sewer service from the City of Fort Bragg to a residential parcel located outside the City limits and SOI. The extension was approved in response to a health and safety emergency and was adjacent to existing City sewer infrastructure.

PRE-APPLICATION COORDINATION

Staff conducts pre-application coordination to inform prospective applicants of LAFCo policies and procedures that apply to their anticipated projects and to discuss potential concerns in advance of application submittals. This allows the applicant to consider and address these concerns before applying to LAFCo. Pre-application coordination was held with the following agencies:

Russian River Flood Control and Water Conservation Improvement District

Proposed annexation of the Redwood Valley County Water District service area to coincide with the RRFC's permitted place of use and allow for use of contracted water throughout the RVCWD service area.

City of Ukiah

Proposed reorganization including annexations to the City of Ukiah and boundary changes with adjacent water and sewer agencies.

City of Willits

Additional water service meter to property with existing water service, located outside the City boundaries but within the recognized water service area.

POLICY AND PROCEDURE UPDATES

During FY 2025-26, staff reviewed LAFCo's policies and procedures in response to changes in state law and local operational needs. This work resulted in the Commission's adoption of three policy updates.

The Commission updated its teleconferencing policy to reflect changes in state law and amended its financial policies to clarify budget adjustment procedures and establish a biennial audit schedule as a cost-saving measure. Staff will continue reviewing the Policies and Procedures Manual and working with the Policies & Procedures Committee to recommend additional updates as needed.

Staff also developed Frequently Asked Questions (FAQs) and other informational materials to improve public understanding of LAFCo's purpose, responsibilities, and process.

PUBLIC INFORMATION AND CUSTOMER SERVICE

Staff regularly assists member agencies, property owners, real estate professionals, other governmental agencies, and members of the public with a wide range of inquiries. Common requests involve local agency boundaries, service providers, Commission decisions and records, and LAFCo policies and procedures.

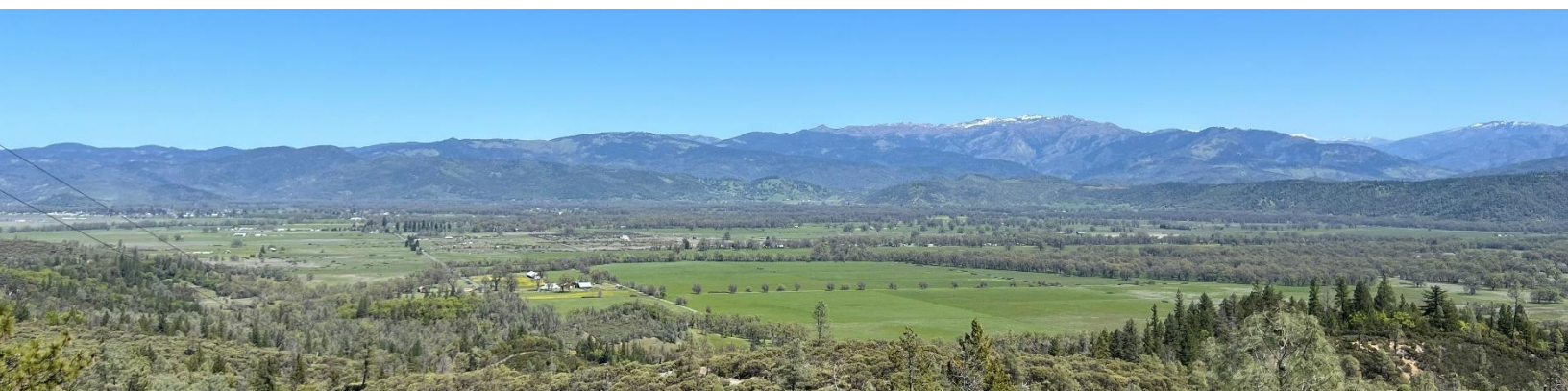
Staff also responds to requests submitted under the California Public Records Act, which often require extensive research, document review, and records compilation. During FY 2025-26, LAFCo received and responded to an unusually high number of these requests.

ADMINISTRATIVE ACTIVITIES

During FY 2025-26, staff focused on strengthening LAFCo's administration operations and improving access to agency information. Key accomplishments included publishing LAFCo's first Annual Report, expanding outreach to member agencies, and creating new public information materials.

Staff developed a continuity tracking report to document Commission direction and related follow-up on MSR/SOI studies, applications, and other matters. The report supports accountability and organizational continuity by providing a transparent record of pending and completed items. Staff will continue to refine the resource in future fiscal years.

Staff also continued to address long-standing records management needs by organizing and digitization historic meeting materials, applications, budgets, and other agency records. These efforts improve administrative efficiency, facilitate timely responses to records requests, and expand public access to LAFCo information.



Upcoming Projects

COUNTYWIDE FIRE AND EMERGENCY MEDICAL SERVICE REVIEWS

In fall 2025, LAFCo initiated a multi-year, countywide review of fire protection and emergency medical service (EMS) providers. The project began with informational presentations to the Mendocino County Fire Districts Association and the Mendocino County Fire Chiefs Association. These presentations explained LAFCo's planning and regulatory responsibilities, outlined the purpose and goals of the reviews, and introduced the study process.

Staff is coordinating closely with the Fire Districts Association's County Coordinator to share information and jointly develop a regional summary of fire and EMS services in Mendocino County. The summary will describe existing service conditions, highlight ongoing initiatives, and identify common challenges facing emergency response providers throughout the County. The regional summary and individual agency reviews are part of a multi-year Work Plan effort.

OTHER AGENCY STUDIES IN PROCESS

The City of Willits MSR and Laytonville County Water District MSR/SOI Update remain in progress. Staff continues to coordinate with both agencies and is awaiting additional information need to complete the reviews.

COMMISSIONER HANDBOOK

Substantial progress was made on development of a Commissioner Handbook, which will serve as a foundational resource for both incoming and experienced Commissioners. The Handbook will be presented to the Policies & Procedures Committee for review and further development in the coming year.

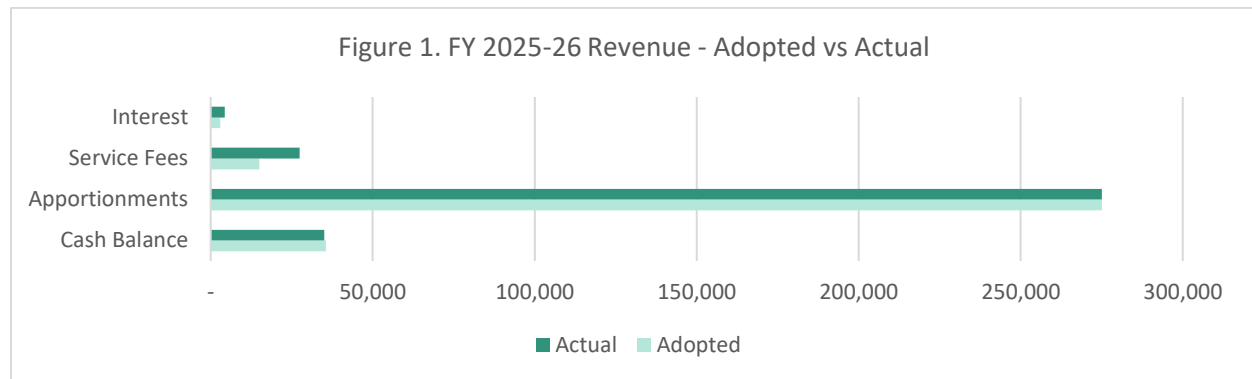


Financial Summary

REVENUE

The adopted FY 2025-26 budget was \$328,500 and included \$35,500 in available cash balance to support anticipated expenditures. Member agency apportionments remained unchanged from the prior year at \$275,000. In February 2026, the Commission amended the budget to \$338,500 to address unanticipated legal expenses, transferring the difference from legal reserves to cover the cost.

Interest revenue reached 145 percent of the budgeted amount because LAFCo delayed withdrawing apportionment funds from the Mendocino County Treasury for as long as operationally feasible, allowing the funds to earn additional interest.

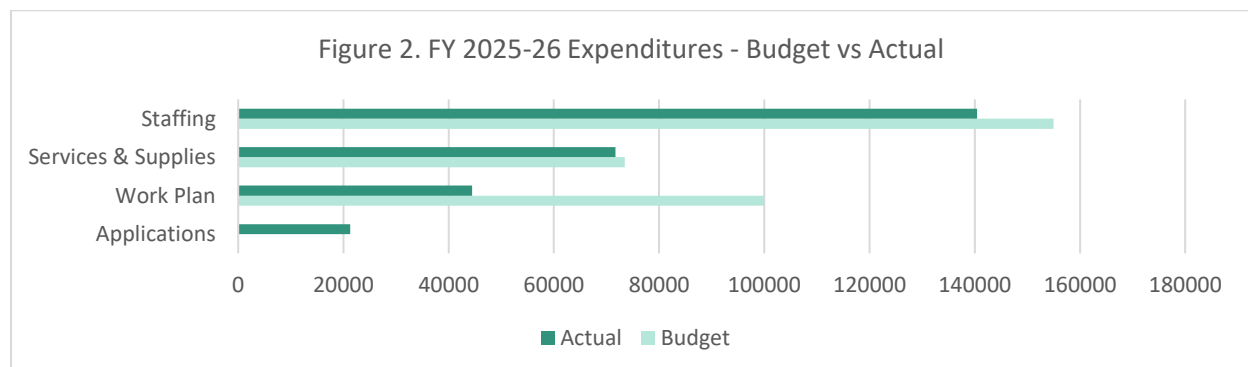


EXPENSES

Actual expenditures for FY 2025-26 totaled 82 percent of the amended budgeted. The primary savings occurred in Basic Services and In-County Travel and Expenses, including Commissioner stipends and mileage. Savings in Basic Services resulted from the cancellation of four regular meetings due to light agendas. Expenditures for Memberships, Insurance, and Legal Counsel were slightly above budget.

The largest unspent amount was in the Work Plan budget. Because other studies and applications required more time than anticipated, work on the multi-year, countywide fire and EMS review progressed more slowly than planned. The remaining funds will carry forward with the studies to support continued work in FY 2026-27.

A portion of the resulting year-end cash balance was applied to the FY 2026-27 budget, allowing member agency apportionments to remain unchanged for a fourth consecutive year.



Appendix: Municipal Service Review and Sphere of Influence Review Tracking

The following chart tracks the preparation of each agency's last MSR/SOI study and tentative schedule for next review.

